



WMDA/CAR Service Station and Automotive Repair Association

February 7, 2023

Chair: C.T. Wilson
Members of Economic Matters Committee

RE:HB549 Fair Wage Act 2023

Position: Unfavorable

This bill will hurt small businesses and especially our 24/7 convenience stores. It is not just \$15.00, as they say, "a rising tide floats all boats". This bill will raise payroll across the board to all workers.

CPI adds another layer of uncertainty to businesses, can go up but never come down under dropping cost. In 2025 at this year's inflation rate minimum wage would go \$15.75 using lessor of inflation or 5%. Should this bill pass, CPI should be amended out or at the very least a lower percentage.

As labor costs go up, the price at retail goes up, adding to inflation.

We see more self-check out at stores now, trend started with major grocery and box stores and has filtered down to major convenience stores.

A small convenience store 24/7 running 3 shifts at a modest 4 employees on 2 shifts and 2 employees on late shift would cost owner \$560 a week at a \$1.00 increase in wages. Add Family and Sick leave that will be coming soon and you have a real problem for small businesses.

Please give HB 549 an unfavorable Report

WMDA/CAR is a trade association that has represented service stations, convenience stores and repair shops since 1937. Any questions can be addressed to Kirk McCauley, 301-775-0221 or kmccauley@wmda.net